

Local Government Assistance

Mission

Local Government Assistance programs provide general purpose aid to municipalities, as well as targeted grant programs and incentives for local government efficiency and consolidation actions. State General Fund-supported programs include the Aid and Incentives for Municipalities Program, Citizen Empowerment Tax Credits, the Citizens Re-Organization Empowerment Grant Program, the Local Government Efficiency Grant Program, the Local Government Performance and Efficiency Program, Video Lottery Terminal (VLT) Aid, and the County-Wide Shared Services Initiative.

Budget Highlights

The Executive Budget recommends \$834.5 million in All Funds appropriations to fund miscellaneous State aid and assistance programs, including \$804.5 million in General Fund support to local governments under several aid programs. Included in the All Funds appropriation, the Budget recommends \$2.5 million in General Fund state operating support for the Financial Restructuring Board for Local Governments and \$30 million in Fiduciary Funds to cover contingency appropriation requirements. Overall, this represents an All Funds decrease of \$6.7 million from FY 2023, reflecting the standard elimination of one-time Municipal Financial Assistance.

Program Highlights

County-Wide Shared Services Initiative

Funding for the State's match of the first year of savings from shared services actions included in a finalized county-wide shared services plan submitted to the Director of the Budget.

Aid and Incentives for Municipalities

Unrestricted State aid to cities, towns, and villages.

Citizens Reorganization Empowerment Grants

Funding for local governments to cover costs associated with planning and implementing local government reorganization activities, such as consolidations and dissolutions.

Citizen Empowerment Tax Credits

Annual tax credits for cities, towns, or villages that consolidate or dissolve are equal to 15 percent of the newly combined local government's tax levy. At least 70 percent of such amount must be used for direct relief to property taxpayers.

Local Government Efficiency Grants

Competitive funding to help cover costs associated with local government efficiency projects, such as planning for and/or implementing a functional consolidation, shared or cooperative services, and regionalized delivery of services.

Local Government Performance and Efficiency Program

Grants and/or loans awarded by the Financial Restructuring Board for Local Governments to assist with implementing Board recommendations.

ALL FUNDS APPROPRIATIONS (dollars)

| Category | Available FY 2023 | Appropriations Recommended FY 2024 | Change From FY 2023 | Reappropriations Recommended FY 2024 |
|-------------------|----------------------|--|------------------------|--|
| State Operations | 2,500,000 | 2,500,000 | 0 | 0 |
| Aid To Localities | 838,739,826 | 832,024,826 | (6,715,000) | 302,999,000 |
| Total | 841,239,826 | 834,524,826 | (6,715,000) | 302,999,000 |

NYS DOB | FY 2024 Executive Budget | Agency Appropriations
STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

| Fund Type | Available FY 2023 | Recommended FY 2024 | Change |
|--------------|----------------------|------------------------|----------|
| General Fund | 2,500,000 | 2,500,000 | 0 |
| Total | 2,500,000 | 2,500,000 | 0 |

STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

| Program | Available FY 2023 | Recommended FY 2024 | Change |
|-------------------------------|----------------------|------------------------|----------|
| Financial Restructuring Board | | | |
| General Fund | 2,500,000 | 2,500,000 | 0 |
| Total | 2,500,000 | 2,500,000 | 0 |

STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
FY 2024 RECOMMENDED
(dollars)

| Program | Amount | Total | Change |
|-------------------------------|------------------|-------|----------|
| Financial Restructuring Board | 2,500,000 | | 0 |
| Total | 2,500,000 | | 0 |

| Program | Amount | Contractual Services | Change |
|-------------------------------|------------------|----------------------|----------|
| Financial Restructuring Board | 2,500,000 | | 0 |
| Total | 2,500,000 | | 0 |

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

| Fund Type | Available FY 2023 | Recommended FY 2024 | Change |
|--------------|----------------------|------------------------|--------------------|
| Fiduciary | 30,000,000 | 30,000,000 | 0 |
| General Fund | 808,739,826 | 802,024,826 | (6,715,000) |
| Total | 838,739,826 | 832,024,826 | (6,715,000) |

NYS DOB | FY 2024 Executive Budget | Agency Appropriations
AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

| Program | Available FY 2023 | Recommended FY 2024 | Change |
|---|----------------------|------------------------|--------------------|
| Aid and Incentives for Municipalities | | | |
| General Fund | 754,172,213 | 754,172,213 | 0 |
| Aid to Municipalities with VLT Facilities | | | |
| General Fund | 28,885,313 | 28,885,313 | 0 |
| Miscellaneous Financial Assistance | | | |
| General Fund | 25,465,000 | 18,750,000 | (6,715,000) |
| Municipal Assistance State Aid Fund | | | |
| Fiduciary | 15,000,000 | 15,000,000 | 0 |
| Municipal Assistance Tax Fund | | | |
| Fiduciary | 15,000,000 | 15,000,000 | 0 |
| Small Government Assistance | | | |
| General Fund | 217,300 | 217,300 | 0 |
| Total | 838,739,826 | 832,024,826 | (6,715,000) |

Note: Most recent estimates as of 02/01/2023